



CALPEEK

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P.O. BOX 1468, BEVERLY HILLS, CA 90213 (310)659-0205 FAX(310)657-4340
Dick Rosengarten, Publisher E-Mail: calpeek@aol.com

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CAMPAIGN 2003: IT'S NEWSOM VS. GONZALEZ IN MAYOR'S RUNOFF. ALIOTO & AMMIANO CRASH.

Editor's note: The Nov. 4th San Francisco muni election produced some surprising results, both in the Mayor's contest to replace *termed out* Willie Brown and in the DA's race where incumbent Terence Hallinan was running 2nd to his longtime rival Bill Fazio. Here's our update & analysis...

...**Mayor's race first.** No shock as S.F. Co. Sup. Gavin Newsom lead the field in the muni primary with **41.4%**. But in somewhat of a shocker, S.F. Co. Sup. Matt Gonzalez, the Board's president and highest ranking Green Party elected official in Calif., came in 2nd with 20.11%. The much better funded Angela Alioto was in 3rd with 16.03%, while S.F. Co. Sup. Tom Ammiano faded to a poor 4th with only 10.5%. S.F. City Treas. Susan Leal got 8.28%, while former SFPD Chief Tony Ribera got only 2.4%. Voter turnout was **39.01%** - somewhat lower than most sources predicted...

...The Dec. 9th runoff for mayor promises to be an exciting battle because of the *Green*(Gonzalez) vs. *Demo*(Newsom) match up and because Gonzalez and Newsom are so very different in their visions. Sources suspect that the media will put Gonzalez's views under a microscope, something which hasn't happened yet. For example, there has been little news given to the fact that Gonzalez favors allowing non-citizens who have kids in school to vote in local school board elections. He also was one of the chief backer of a plan to double the transfer tax (for people buying and selling homes and property)...

...As for Newsom, he's the frontrunner, but he needs to avoid over-confidence. Newsom is best known for his popular but controversial Prop. N - the *Care Not Cash* initiative to deal with S.F.'s huge homeless problem...

..Politically, making sure Newsom wins the runoff is a critical issue for CA Demo Party Chair Art Torres. One source told *Calpeek*, "The Green's Gonzalez presents a huge threat to the CA Democratic Party. If he were to win it would have a chilling impact on Democratic Party

fundraising in the S.F. Bay area and perhaps a larger impact on presidential politics." Interesting observation...

...**The battle for DA.** Incumbent Terence Hallinan not only survived the primary, but led both of his key rivals, Bill Fazio and Kamala Harris. And in what has to be a mild upset, Harris finished ahead of Fazio by about 4,500 votes to make the Dec. 9th runoff. Hallinan got 36.57%, Harris 33.03% and Fazio 30.28%. Harris was running 3rd in most of the polls, but sources say women under 50 were the deciding factor. They went for Harris late in the campaign. Can Harris now pull an even bigger upset and take Hallinan? Opinion is mixed, but the Fazio supporters aren't likely to be for Hallinan. Will they vote for Harris or stay home???

...FYI: Incumbent S.F. Sheriff Michael Hennessey was an easy winner, getting 81.98%. And Prop. G to set up a true *Rainy Day Reserve Fund* won big with 75.93%. Stay tuned...

CAMPAIGN 2004: CTA's PROPOSED INITIATIVE TO REVISE PROP. 13 WILL LAUNCH A MASSIVE WAR.

Editor's note: The Calif. Teachers Assn.(CTA) and actor-director Robb Reiner have proposed an initiative to make a major revision of Calif.'s landmark Prop. 13 by taxing business/commercial property at a higher rate than residential property. All property is currently taxed at the same **1%** rate. Under the CTA-Reiner plan, commercial property would be taxed at **1.55%** - with the **\$5 billion** raised via this new taxing plan going to K-12 & pre-school programs. Here is *Calpeek's* update, analysis & commentary...

...As noted by *Calpeek's* headline, the battle lines have already been drawn and in this fight those lining up against CTA-Reiner include the CA Chamber of Commerce, the CA Taxpayers Assn., the CA Manufacturers & Technology Assn., the CA Business Roundtable, the CA Business Properties Assn. and the Nat'l Federation of Indep. Business. And don't forget the influential Howard Jarvis Taxpayers Assn. These are the predictable groups whom one might automatically expect to fight this CTA-Reiner plan...

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... But add to this list the name of Gov.-elect Arnold Schwarzenegger. He's already stated he wants Calif. to be more business-friendly and this CTA-Reiner plan flies in the face of his vision. And with his new mandate, Schwarzenegger will be a powerful force in this upcoming war. If there was any doubt that CTA is preparing for war with Gov. Arnold, look no further than the unexpected resignation Nov. 3rd of CTA Assoc. Executive Director John Hein from Arnold's transition team. Sources don't think the initiative had that much to do with this sudden departure; rather the appointment of Richard Riordan as Gov.-elect Arnold's Secretary of Education was the point of friction. CTA says this particular cabinet post should be abolished. But it's all part of the same pattern: war with Arnold...

... But there's more. From the material handed out at the initial CTA-Reiner news conference, it appears that those who live in **apartments** could also be hit with higher rent payments. CTA sources say that's incorrect. There are powerful renter rights groups in such liberal cities as S.F., West Hollywood, Santa Monica & East Palo Alto. There are also renter groups in Oakland and L.A. Under the CTA-Reiner plan, apartment buildings (duplexes to multi-units) valued under \$700,000 are exempt. Units above that mark pay on a sliding scale. For apartment buildings above \$1 million, it's the full 1.55%. Since most multi-unit apartment buildings in the greater L.A. area are well above that \$1 million price, the landlords can pass along the higher property tax to the tenants. Even in cities with rent control ordinances, there are pass through provisions in the law...

... Privately, sources have wondered why CTA would target renters (seniors on fixed incomes, younger people attending college or just ordinary people who are struggling). Jon Coupal, president of the HJTA told *Calpeek*, "I don't understand this tactic. It's horribly stupid to go after renters in this way." We'll have to wait until the exact language gets to the AG's office, after our deadline...

... Finally, CTA-Reiner could find that not all members of **organized labor** will side with them against Calif.'s business community. Some sources predict the powerful CA Building & Construction Trade unions will be against CTA. In part this will be payback for CTA's campaign against Prop. 42, but it's also the feeling among rival unions that CTA's appetite for more money for education is uncontrollable...

... FYI: With Reiner's reentry into Calif. politics, some sources can't help but speculate whether this new venture is a preview of Reiner vs. Arnold in 2006 OR Meathead vs. The Terminator. The "meathead" label is from Rein-

er's *All In the Family* tv series. It hasn't been lost on the *Orange Co. Register*. Their editorial of Oct. 31st is called "A meathead assault on Prop. 13." Stay tuned...

CALIF. WILDFIRES MOSTLY CONTAINED, BUT THE POLITICAL FINGER POINTING IS JUST BEGINNING.

Editor's note: *Mother Nature*, which put the screws to Southern Calif. at the beginning of these wildfires with high Santa Ana winds and hot temperatures, reversed course with much cooler weather – including some rain and snow in the mountains. Now most of the 10 wildfires are well contained, but the damage is still severe and the **political fallout** is just beginning. Here's our update & analysis...

... Damage is running above \$2 billion; 750,000 acres of land and forest have been burned; 3,500 homes destroyed; and sadly, 20 people – including one firefighter – were killed. The 14,000 firefighters on the line still have lots of work to do. President George W. Bush traveled to Calif. to see the destruction first hand. Gov. Gray Davis(D) and Gov.-elect Arnold Schwarzenegger(R) are working well with one another – and not stepping on each other. Gov. Davis has issued an executive order designed to reimburse local govt. in 5 counties for the full cost of the firefighting effort. That cost is estimated to be about \$59 million (and includes overtime for public safety personnel, replacement of damaged and destroyed equipment and road repair). The Feds should reimburse the State for up to 75% of the costs...

... Now to the finger pointing. It's most noticeable in *San Diego* – the city and county. San Diego Co. Sup. Dianne Jacob blasted Gov. Davis for "acting too slowly," but in light of very recent disclosures about San Diego's lack of investment in an aerial firefighting force, those accusations aimed at Davis are stupid. San Diego Sup. Ron Roberts was the one bright light on the Board. Back in 2001, he wanted the county to invest \$9 million over 5 years in a firefighting helicopter. The Supes voted for some of the funds, but not the amount Robert's wanted. The vote for partial funding was 4-1, with Sup. Bill Horn on the NO side. On Oct. 28th (in the middle of the wildfires), Horn switched his stand...

... As for San Diego Mayor Dick Murphy, his key rival for the moment in next year's mayor's race, San Diego Port Comm. Peter Q. Davis, blasted Murphy 4 days before the huge Cedar fire began for voting against the helicopter program in 2002. As for why the City of San Diego had not invested in aerial firefighting equipment, Murphy said something to the effect that "we follow the recommendations of the city manager." Limp response...

...Will San Diego's lack of preparedness in fighting big fires be a key issue in next year's mayor's contest? Bet your first born. And although he has not yet announced for another run for mayor, don't be surprised if Roberts decides to give it one more go. He's got the perfect issue. Stay tuned...

CAMPAIGN 2004: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Lots of news about referendums and initiatives. And Ted Costa of *People's Advocate* is taking another run at reforming Calif.'s *reapportionment* process. Here's our update & analysis...

◆ **Reapportionment by Costa** – Costa will submit his initiative to the AG's office for title & summary after *Calpeek's* deadline, but the essential element in his plan is to have the Calif. Judicial Council pick 3 retired judges (called *Special Masters*) from a list submitted by the Legislative leadership. This 3-judge panel would then select a redistricting plan from maps submitted by the Calif. Legislature. The plan would then have to be OKed by the Legislature, signed by the governor and put to a public vote. Costa says if his idea is approved in November of 2004, the redistricting could take place in 2006. But that's a big IF. Costa's recall was going nowhere until U.S. Rep. Darrell Issa (R-Vista) kicked in \$1.7 million. Can Costa raise the \$\$\$? And critics say launching a recall against a very unpopular governor is very different from successfully qualifying an initiative dealing with a complex subject which voters really don't understand...

◆ **Prop. 55 Campaign Team** – Prop. 55 is the \$12.3 billion statewide school facilities bond on the Mar. 2nd ballot. The YES on 55 team includes Kam Kuwata as cmp. mgr.; Jay Ziegler, consultant; and Bicker, Castillo & Fairbanks handling grassroots organizing and press. YES on 55's website is www.yeson55.com...

◆ **Open Primary Initiative Update** – By the time this issue of *Calpeek* hits the street, *Californians for an Open Primary* will be collecting signatures for their initiative to restore the open primary to Calif. As noted previously, Arno Political Consultants and Progressive Campaigns are in charge of the paid signature gathering. The initiative is called *The Voter Choice Open Primary Act*. Backers are very optimistic about the chances of passage once the initiative has qualified. Sources say early polling shows support in the 70% range...

...This version of the open primary is similar to that of Louisiana, where the top two primary winners, regardless of political party, face off in a general election. As such,

drafting this constitutional amendment was very complex because every section of the Calif. Election Code dealing with the partisan primary had to be cut out. Much of this work was done months before the organizing committee was even formed. This work was under the direction of Nick Tobey, who was one of the original backers of Prop. 198 in 1996...

...The daily campaign effort will be co-chaired by Demo consultant Garry South; Santa Barbara businesswoman Beth Rogers; and Tobey. Members of the governing board include attorney and former UC Regent Bill Bagley; Prop. 198 co-chair Susan Riegel Harding; L.A. attorney George Kieffer; and Ted Roth, businessman and former Calif. DLC chair. Executive Director for the open primary campaign will be Debbie Cox. GOP fundraiser Kristin Hueter will be the finance director...

◆ **Referendum on SB 60** – There's little doubt that if SB 60, the new law allowing non-citizens to get Calif. driver's licenses, ever makes it to the ballot, it will be repealed faster than you can say Arnold Schwarzenegger. And the Gov.-elect has stated publicly he wants this bill repealed. In order to repeal SB 60, lawmakers have to amend 6 code sections and repeal 2 others. Demos are said to leaning in this direction, but will the GOP go along? There are some who suggest SB 60 is a real wedge issue for the GOP and they may want it on the ballot as a referendum. If the referendum were to qualify and pass, there would be at least a 3-5 year blackout period – thus no similar laws could be introduced. Can Demos persuade Gov. Arnold to do a fix on driver's licenses? The strongest case for driver's licenses are for those non-citizens who are here legally and are in the process of becoming citizens or legal residents AND, for whatever reasons, can't get a social security number, but can get a taxpayer ID number. Under SB 60, the TIN is necessary, along with other ID, but no SSN is needed. Some legislative sources say the number of individuals who fall into this category may be around 800,000 and they've fallen into a *Catch 22* position. *Calpeek* sources think the go-to guy for the Demos might be AG Bill Lockyer. Stay tuned...

CALPEEK's NEW CAMPAIGN DIRECTORY ON SALE

Calpeek's 2003-04 Directory of Campaign Consultants is now on sale to subscribers only. The 60-page Directory contains more than 300 listings of consultants, campaign managers, pollsters, fundraisers, election law attorneys, FPPC-FEC specialists and slates makers. The cost is a low \$30. Checks only, no credit cards and absolutely no invoicing. Send checks to *Calpeek* @ P.O. Box 1468, Beverly Hills, CA 90213. Be sure to include either a businesscard or a short note with the name of the person who is receive the Directory. We'll be sending the Directory via 1st class mail. Non-subscribers should contact *Calpeek* (310)659-0205 to inquire about a subscription...

CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.

Editor's note: Here is *Part XXVII* in our continuing series of update about key U.S. House and CA Legislative primary contests...

☒ **20th CD Update** – In this battle to replace U.S. Rep. Cal Dooley(D-Visalia), GOP State Sen. Roy Ashburn(R-Bakersfield) said he is thinking about running, this according to the *Bakersfield Californian*. There is already one GOPer in the race: Peter D. Vasilovich of Fresno. The Demos in the primary are former State Sen. Jim Costa of Fresno and Dooley's longtime COS, Lisa Quigley...

☒ **13th SD Update** – In the endorsement battle between Assemblyman Manny Diaz(D-San Jose) and former Demo Assemblywoman Elaine Alquist of Santa Clara, Diaz has won the endorsement of the CA Teachers Assn., while Alquist has picked off the endorsement of the CA Nurses Assn. FYI: Diaz has also won backing from the SEIU State Council and from the So. Bay Labor Council (AFL-CIO). This open SD is now held by termed out State Sen. John Vasconcellos(D-San Jose)...

☒ **29th AD Update** – In the GOP primary, incumbent GOP Assemblyman Steve Samuelian of Fresno got some more bad news as fellow Assemblyman Bill Maze(R) of Visalia endorsed GOPer Mike Villines. Maze is now the 2nd GOP assemblymember from the area to turn his back on Samuelian. Dave Cogdill(R) has also endorsed Villines over Samuelian...

☒ **47th AD Update** – Some new poll numbers in this open AD now represented by *termed out* Assembly Speaker Herb Wesson(D-Culver City). Among the Demos seeking to replace Wesson in this Fairbank, Maslin, Maullin & Associates surveys (taken in mid-October among 440 Demo voters), it's former L.A. Councilman Nate Holden with 31%; activist Karen Bass with 9%; attorney Rickey Ivie at 5%; and college professor Richard Groper at 3%. Don't know is at 52% - so this contest is still wide open, although some sources see this as Holden's primary to win or lose. FYI: Ivie has picked up the endorsements of State Sen. Kevin Murray(D-L.A.) and Joey Hill, who had been looking at the 47th AD...

☒ **69th AD** – Former Orange Co. Assemblyman and 2002 insurance commissioner candidate Tom Umberg(D) will seek to reclaim his old 69th AD in the heart of Orange Co. Umberg was in the assembly from 1990-94, when he first ran statewide – against incumbent AG Dan Lungren (R). Already in the primary are Santa Ana Councilwoman

Claudia Alvarez and Armando de la Linbertad. There are two GOPers in the race: businessman Ruben Ross and restaurant owner Otto Bade. The seat is currently held by Demo Lou Correa, who is *termed out*. Stay tuned...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Recall Turnout** – As *Calpeek* hit deadline, the voter turnout for the Oct. 7th recall hit 61.2% with 49,031 ballots still uncounted. When all ballots are counted, the total will be about 9.5 million votes cast...

■ **L.A. Lap Dancing Referendum Qualifies** – The L.A. City Clerk has announced that a referendum to overturn a new law which bans exotic dancers (aka strippers) from coming within 6 feet of customers and bans direct tipping, has qualified. The L.A. Council has 3 choices: 1) get rid of the new law; 2) set a special election for Mar. 2, 2004 – which would cost \$2.8 million; or 3) place the referendum on the regular 2005 city ballot. There are some 42 adult entertainment clubs in L.A. Campaign consultant Steve Afriat, who represents the club owners, told *Calpeek* that the way the law is written, it's totally unworkable...

■ **Schwarzenegger's Team** – Gov.-elect Arnold has named longtime advisor Bonnie Reiss as a sr. advisor. Rob Stutzman has been tapped as communications director. And Peter Siggins has been selected as Legal Secretary. Siggins is Chief Deputy AG for Legal Affairs in Bill Lockyer's CA DOJ...

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